GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:2
ANSWERED ON:15.11.2007
IMPORT OF LNG FROM QATAR
Chowdhury Shri Adhir Ranjan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Qatar has recently offered the supply of Liquefied Natural Gas (LNG) on a priority basis to India;

(b) if so, the details thereof; and

(c) the steps taken by the Government to import Liquefied Natural Gas and to meet the domestic demand in the country?

Answer

MINISTRY OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (c): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS

(a) TO

(c) OF THE LOK SABHA STARRED QUESTION NO. 2 ASKED BY SHRI ADHIR CHOWDHURY, MP TO BE ANSWERED ON 15th NOVEMBER 2007 REGARDING IMPORT OF LNG FROM QATAR.

(a) to(c): The indigenous production of natural gas is not adequate to meet the demand of natural gas in the country. Attempts are being made to bridge the gap between demand and supply of natural gas, inter alia, by import of Liquefied Natural Gas (LNG).

2. Petronet LNG Limited (PLL) signed a contract with RasGas of Qatar in July 1999 for import of 7.5 Million Metric Tonnes per Annum (MMTPA) LNG for a period of 25 years. As per the contract, supply of 5 MMTPA LNG commenced in 2004 and the supply of balance 2.5 MMTPA LNG would commence in 2009. Further, in July 2007, PLL has signed another contract with RasGas Qatar for supply of 1.25 MMT LNG from July 2007 to September 2008 to meet the requirement of Ratnagiri Power Project in Maharashtra.

3. Recently, during a meeting between Deputy Premier and Minister of Energy & Industry of Qatar and Minister (P&NG), the latter expressed Indian interest in additional committed long-term supply of LNG to India. The Qatari side indicated that they would consider the request favourably.

4. To augment the supplies of LNG to the country, PLL and GAIL are in active discussions with various potential suppliers for long-term tie up of LNG. For meeting the LNG requirement of Kochi Terminal, PLL is in discussion with an Australian supplier for supply of 2.5 MMTPA LNG on long-term basis. Further, IOC and ONGC are making efforts for tying up long-term LNG supply for their proposed LNG terminals at Ennore and Mangalore respectively.

5. Currently, two LNG terminals namely, 5 MMTPA Dahej LNG terminal of PLL and 2.5 MMTPA Hazira LNG terminal of Hazira LNG Pvt. Ltd.(HLPL) are operational in the country.

6. To handle increased LNG import, additional infrastructure is being created in the country. The capacity of Dahej terminal is being expanded from the current 5 MMTPA to 12.5 MMTPA. Dabhol LNG terminal is expected to be completed without breakwater by the end of March 2008; this terminal will become fully operational after completion of breakwater facilities in March 2011. Further, Kochi LNG terminal with capacity of 2.5 MMTPA and provision for expansion upto 5 MMTPA is planned to be commissioned in 2011. HLPL plans to expand its 2.5 MMTPA terminal to 5 MMTPA. LNG terminals are also being planned at Ennore and Mangalore.